

Toronto Star series on housing, January to June 1967. "Crisis on the Home Front."

"Soaring land prices, Ottawa's unplanned economics, immigration and a marriage boom have created the worst peacetime housing crisis Metro has known. Today only one tenth of our families could afford to buy a new home... Star writers Michael Best, Frank Jones and Marilyn Dunlop have spent weeks of research exploring the size and shape of this social crisis."

METRO WEATHER

Tuesday mainly cloudy. Not so mild. Chance of late rain. Low 35, high 40. Details page 2.

ESTABLISHED 1892

Toronto Daily Star

December paid circulation 359,360 copies per day *— Monday, January 23, 1967 — 48 pages 10c per copy, 60c per week home delivery

NIGHT EDITION



★ Soaring land prices, Ottawa's unplanned economics, immigration and a marriage boom have created the worst peacetime housing crisis Metro has known. Today only one tenth of our families could afford to buy a new home. But few have yet realized that, if we are to put roofs over the heads of the marrying generation, our whole way of life has to change. Star writers Michael Best, Frank Jones and Marilyn Dunlop have spent weeks of research exploring the size and shape of this social crisis. And today they begin a major report to you — the people the crisis concerns.

Only one Metro family in 10 can afford to buy a home

By MICHAEL BEST
Star staff writer

A housing crisis of unrealized proportions is shaking Metropolitan Toronto.

Home-building has nosedived. House prices have skyrocketed out of the reach of nine families in ten. Apartment rents are crippling family budgets. Ten thousand Metro families will soon be on the waiting list for scarce public housing. Young lives are being scarred by overcrowding.

Research by a Star team shows this crisis will change the face of Metro and the way we live. It will get worse before it gets better.

The housing crisis means Don and Catherine Lyons and their five children, forced out of Metro to live in a shack on Lake Wilcox, 20 miles away, because they couldn't find shelter here.

It's Stuart and Ann Morrison, parents of two. They went out to buy a home recently with a \$3,000 down payment. But \$3,000 won't do any more. They ended up with three mortgages and monthly payments of \$212.

It's Gordon and Wilma Metcalfe, who live in a Don Valley town house. Their rent was boosted \$35 a month, and it will take them two extra years to save a down payment for a home of their own.

● We're building \$10,000 houses on \$10,000 lots

It's a \$10,000 house on a \$10,000 lot, when a lot should be around one-quarter of the house price.

The crisis is six-year-old Joey, whose home is an eighth floor Toronto apartment. He uses the steps to go up and down because he's afraid of the elevator after getting locked in once.

It's a boy, 14, who lived four months in the trunk of a car—it was preferable to his share of the two rooms occupied by his five-member family.

It's Sammy, 7, who also lives eight floors up, and runs loose all day out of parental reach.

"It worries me," says his mother. "I can't be dashing up and down eight storeys to see what he's doing."

Metro—and Canada as a whole—has always had a housing shortage. But traditionally it's hit a minority at the bottom of the income ladder.

This one's different. It has new dimensions. It hits the guy at the next desk, the professional man, the executive type—persons for whom housing has always been a cinch.

All of a sudden, they can't find a house; or if they can, it costs more than they can pay.

Now a Star series takes a searching look at the paradox of an affluent society in a losing struggle to keep a roof over its head.

You'll meet the Lyons and the Metcalfes, people for whom the shortage is a family disaster.

You'll meet the land speculator, the developer, the builder, the politician, the public official, the economist, and get their story of what's gone wrong.

● A house that cost \$20,000 last year now costs \$25,000

What are the main facts of the crisis? Why is today's housing crisis bigger than all those that have gone before?

The Metro house that last year would have cost you \$20,000 now costs \$25,000.

(A home in Guildwood Village sold for \$27,000 new seven months ago. It recently re-sold for \$37,000.)

The apartment that rented for \$175 a month a year ago now costs \$200.

Home ownership—that suburban dream bungalow with a garden at the back—used to be within reach of the \$5,000-a-year family.

But no longer. The dream bungalow now will stay a dream.

If you're earning less than \$8,000—and about 89 per cent of Metro's population are—home ownership has slipped beyond your immediate hopes.

"Anyone with less than that just cannot get into the

See SOON THERE, page 8.



—Star photo by Barry Philp

Marriage -- but no place of their own

By FRANK JONES
Star staff writer

Bob Thorogood, a \$100-a-week survey worker with the Ontario government, this month took Carol Jarvis, 17, to be his wife.

There was a mixup over the flowers, the bride's mother was late, and Bob's "I do" was barely audible.

But the bride, naturally, was radiant, the couple danced till midnight and the ceremony had that picture-book prettiness which will live with them for the rest of their lives.

For them, the happiest day. For a quiet-spoken man named Wolfgang Illing, puffing on his pipe in an Ottawa office, a matter for serious concern.

Illing is a housing expert with the Economic Council of Canada. It's his job to tote up the number of marriages and families immigrating and match them against the amount of new housing available.

His conclusions in recent months have been increasingly disquieting.

They amount to this:

The post-war baby boom is now boosting Canadian marriage totals; wedding figures for the three months ended last Nov. 30 increased twice as much as even Illing anticipated.

Immigration last year totalled around 200,000—about 50 per cent more than Illing and other government experts had predicted.

At the present rate Canada is acquiring about 4,700 new families EVERY WEEK.

And this has happened just at the moment when Canadian housing construction has faltered badly.

Illing says in 1967 we will see 'I DON'T,' page 8

AFTER THIS HAPPINESS . . . HEARTACHE?

Bob and Carol Thorogood brimmed with happiness on their wedding day. But probably they'll never be able to afford their own home, and when the babies come may face the heartache of not being able to afford a decent place to live.

\$25,000 in 1967 inflation adjusted to 2022 = \$210,000 in 2022\$

\$200 / month rent in 1967 inflation adjusted to 2022 = \$1,675 in 2022\$

\$8,000 income in 1967 inflation adjusted to 2022 = \$67,000 in 2022\$

Toronto Daily Star

Established 1892—Joseph E. Atkinson, Publisher, 1899-1948
Published at 80 King St. W., Toronto 1, by Toronto Star Limited
JOSEPH S. ATKINSON, Chairman of the Board
BELAND H. HONDERICH, President and Publisher
BURNETT M. THALL, Vice-President
HARRY A. HINDMARSH, Secretary
Directors: WILLIAM J. CAMPBELL RUTH ATKINSON HINDMARSH
The Daily Star net paid circulation for the month of December, 1966 was: 359,360
Member of the Audit Bureau of Circulations

★ MONDAY, JANUARY 23, 1967

Housing: It's our No. one problem in 1967

Metropolitan Toronto is in the midst of a thundering housing crisis.

Not since the end of World War II has this community faced so desperate a shortage of living accommodation for ordinary families. And nowhere in Canada have housing prices risen so far so fast.

It is a crisis that has far-reaching implications for health, for education, for family unity, for jobs. And for the first time in living memory it is a crisis which directly affects not merely the low-income family but those in the medium income bracket as well.

The housing crisis—which will get much worse before it can get better—is emerging as the most crucial single

problem facing Metropolitan Toronto this year.

Yet it is a problem which must be solved if this community is to continue as a growing, thriving place in which to live and work, a place where children can grow in decency and reasonable comfort.

It is because we believe housing deserves the most urgent priority that The Star today begins, on page one, a searching examination of the problem. We believe our readers will find it the most penetrating look at the housing problem that they have read in years.

Within the next two weeks, a team of Star writers will illuminate the is-

sue, define its dimensions, examine what went wrong, what the impact is, and, hopefully, point the way toward an effective answer.

The high cost of housing is not exclusively a Toronto problem. It is a problem shared by the other major urban centres in Canada. But it is here that it is felt most acutely.

Its impact is reflected in two simple statistics. It is virtually impossible to buy a house in Metropolitan Toronto without an income of at least \$8,000 a year. And nine of every 10 persons working in Toronto earns less than \$8,000.

For some, it means no hope of buying the house they desperately need. For others, it means paying so much of their income for housing that they must cut back on other essentials such as food, clothing, and health care.

Their plight is a shameful mockery in a civilized community and nation which prides itself on having one of the highest living standards in the world.

The housing crisis must be solved. It will mean slashing ruthlessly through mountains of red tape. It will mean a mobilization of effort and money—the kind that can always be found in time of war but rarely in peace. And it will mean a decision at the highest political levels to regard housing, at long last, as a social need and not simply as a lever of national economic policy.

We hope The Star series on housing will arouse public concern. And we hope it will make some contribution toward putting decent roofs over the heads of Canadian families.

Up the spout

Before the provincial government starts cracking down on industries polluting the air, it should make certain its own smokestacks are clean.

A good place to start would be the Richard L. Hearn thermal-electric generating station on the Toronto waterfront. Together with its neighbor, the Commissioners St. incinerator, the Ontario Hydro station fills this city's air with more pollution than 100 ordinary industrial plants.

When the wind blows off Lake Ontario, smoke from the stacks of these two plants drifts over the downtown area in thick clouds. Both Hydro and incinerator officials maintain that it is clean smoke; very little ash escapes to fall on the city.

But that's a pretty weak argument. The smoke clouds are as annoying as ash, for they darken the sky, and give the city a dirty look.

Ontario Hydro has overcome this annoyance at its Lakeview station by installing electrostatic precipitators that remove 99.5 per cent of the soot from the smoke, leaving only a thin white plume.

Both Hydro and Metro Toronto which now operates the incinerator, should see to it that their waterfront plants are operated as efficiently.

'I don't see how we could ever afford a house at today's prices'

Continued from Page 1
be short about 12,000 apartments in Toronto.

For Bob and Carol, dancing dreamily at their wedding reception, illness and his gloomy predictions seem far away.

But the fact is that the housing crisis everyone's talking about will be one of the most important factors affecting Bob and Carol in their life together—making their marriage for better or for worse.

Already it has influenced their outlook—making their views and expectations vastly different from those of couples getting married 10 years ago.

Last year, with the wedding in prospect, they thought about buying a house.

"I'm a bit of a handyman and I'd like fine to have a place of my own to fix up," says Bob, a tousle-haired 24-year-old with a vigorous style of speech.

"When we looked, the prices were \$17,000 or \$18,000 for a three-bedroom and they wanted anything from \$5,000 to \$8,000 for a down payment. We don't have that kind of money."

So they looked instead for an apartment. They figured on paying \$110 a month, and finally found a pleasant one-bedroom love nest at Eglinton Ave. E. and Brentcliffe Rd. for \$120.

'We like it'

They didn't know at the time that the same apartment rented for \$105 in 1964 and has gone up \$5 a year since. "We like it. There's a nice big bedroom and the rent is as reasonable here as anywhere," says Carol. Carol is going to stay



home and keep house. That means the rent will take 30 per cent of their income.

That's goodbye to tradition number one—that accommodation should take about 25 per cent of salary. And the experts predict that rents will go up a minimum of 10 per cent this year.

Also, if Bob and Carol had settled for an apartment in a new high-rise building instead of an older three-storey one, they would likely have paid about \$15 a month more.

Dr. Albert Rose, housing expert at the University of Toronto School of Social Work, says rents in Metro will climb to the point where middle-class families will be paying 35 per cent or more of their income for accommodation.

"But, after all, the poor people have been paying that proportion all the way along," he says.

Moonlighting

If they want to maintain their standard of living, middle-income families will have to work harder. It will mean husbands doing more overtime or moonlighting, more wives taking jobs, and perhaps even children leaving school earlier to contribute to the family income, says Dr. Rose.

So how long will Carol be able to stay home if Bob's income doesn't increase

quite a bit? "We don't know. We hope for good," says Bob.

If children come along, traditionally the Thorogoods' eyes would shift to home ownership.

Bob IS traditional, but pessimistic. "Sure I'd like a place of our own. The kids would have their own yard to play in, and we'd have privacy. That's important."

"But then I don't see how we could ever afford a house at today's prices."

"But I don't like the idea of bringing kids up in an apartment."

'Wouldn't mind'

Carol has already faced the facts. "I wouldn't mind bringing them up in an apartment. I don't see anything wrong with it," she said—blowing away another tradition. (She and Bob were brought up in houses.)

"But I'd want a building with a playroom. I wouldn't want them running loose all over the place," she said. "Of course, some landlords don't like children," she added, a frown crossing her face.

If the Thorogoods move to a three-bedroom family apartment with a playroom for children, they will likely pay \$150 to \$175 a month. If they want a town house, the figure will be more than \$200. At that point they might have to find new ways to add to their income or reduce their spending.

Then Bob talked about a possibility that would have been almost heresy for a middle-class young man in his parents' time.

"You know, perhaps public housing would be a good thing if we had children."

Why should we spend all our money on rent? There should always be a bit of mad money left over, just for spending."

But if children come to the Thorogoods things might not be as easy as that. As a couple without children they had no real difficulty in getting an apartment.

11 in one room

The ones who find it tough are the families with a number of children and modest income. In Toronto today there is a family of 11 living in a one-bedroom flat.

Other families, giving up hope of ever getting public housing and despairing of finding a private place to rent in Metro, have been forced out of the city into rural slums.

Soaring land prices, a critical lag in housing construction and the galloping Metro population growth make these two examples disturbingly significant for the Thorogoods.

Public housing for them and for thousands of others in Metro may be just a mirage.

Sixty-three per cent of Metro families earn less than \$5,000 a year and therefore come within the public housing range.

'Forget it'

"But if you think the Ontario Housing Corporation is going to house half the Metro population, forget it," says Dr. Rose, a director of the corporation.

"We couldn't beg, borrow or steal enough money to build that much housing. We'll continue to serve the

needs mostly of the lowest income groups."

For Bob and Carol housing choices in Metro are far more limited than they were for couples just a few years ago.

Home ownership is out. Public housing is probably out. And if they continue to rent they will have to pay an increasing share of their income to the landlord.

If they have several children in quick succession, they might find themselves unwanted as tenants.

There is one other choice. "Sometimes we think about leaving this area altogether," says Bob. "Perhaps I could get a transfer or a job elsewhere. We talk about buying a piece of land in a smaller community and building a place..."

Undesirable?

That is one consequence of the housing crisis: That Metro might become an undesirable place to live, that people will move elsewhere or refuse transfers to Toronto.

But for Bob and Carol all that was in the future. It was their happiest day, and Carol's mother had finally arrived.

The ceremony was in the cosy pine-panelled chapel at Donlands United Church and everything, even to the white-haired minister, was traditional and reassuring.

The rich voice boomed out, "for better or worse, for richer for poorer..."

Bob mumbled, "I do." For richer for poorer? The answer to that does not lie entirely with Bob and Carol. Part of it lies in the figures on Wolfgang Illing's desk in Ottawa.



AFTER THE HOUSE-HUNTING... HEARTACHE?

Bob and Carol couldn't afford a house, checked the new high-rise areas before deciding on an apartment in an older building—at \$120 a month—as their first

home. But no matter where they live they face the near-certainty of paying more, and if a family arrives the heartache of common 'no children' renting policies.

Soon there'll be 10,000 waiting for public housing

Continued from Page 1

market," says H. W. Hignett, president of Central Mortgage and Housing Corporation.

Another CMHC official said the maximum National Housing Act loan of \$18,000 was appropriate for purchase of at top a \$21,000 house.

When prices go above this—as they have in Metro—NHA loans "lose their relevance."

Only the highly paid and well-to-do in our society are shielded from the present crisis—they and the middle and low-income families who bought their homes when prices, and interest rates, were low.

The experts say a low or middle income family is in trouble when more than 30 per cent of its revenue goes for shelter.

● The price of lots has risen \$3,000 in just one year

But in Metro today the limit is being shattered. Families are going without proper food and clothing and sinking into debt to make the price of a place to live.

It's the worst housing shortage since the end of World War II.

It's national—even international—in scope but it's hitting hardest right on your doorstep in big, expanding Metro.

In one of the most spacious lands on earth, it's the high cost of building lots that's the biggest factor in denying families homes of their own.

Serviced lots have gone up around \$3,000 in the past year. The average price is now \$10,000. Speculators' profits have helped put prices up to the point most economists regard as lunacy.

"A serviced lot should not represent more than a quarter or one-third of total property value," says Hignett. "But in Metro they're putting \$10,000 worth of house, often more, on lots costing \$10,000."

What about public housing for families unable to buy, or rent, on their own?

Little hope. Metro has about 8,000 units of public housing—plus 7,000 names on the waiting list. Predictions are this will soon grow to 10,000.

The burden of supplying public housing now falls mainly on the government's Ontario Housing Corporation. But deputy managing director P. E. H. Brady says OHC cannot look after all those needing housing, now that these include people in the \$5-\$8,000 income group.

He calls them "the people caught in the middle"—they're squeezed out of the private housing market; yet public housing is not geared to them.

They settle for inadequate shelter. And that can hit a family in countless unsuspected ways.

The social cost, especially on families with children, is heavy:

Social worker James Felsteiner says "rotting housing" helped push out of the family circle many of the youngsters he met living on the streets during a study he did for the University Settlement House last year.

"Some of these kids," he says, "don't even know what a bathtub is. They think it's to store vegetables in."

The crisis affects education: "Unless he's an Abe Lincoln, a kid in bad housing won't stay in school," says Bill White, of the Family Service Association.

"He can't do his homework; he can't bring his friends home. Before long all his hopes of something better are ground out of him."

A school principal, whose pupils include public housing families, noted that youngsters from these families recently moved to the area from badly heated, draughty, overcrowded housing miss more school with colds and poor health than other pupils.

The crisis affects character and health: "A good home provides a sense of security, well-being and good health," says Professor Charles Hendry, director of the University of Toronto School of Social Work. "Bad environment whittles down character. Severely deprived people begin to deteriorate," adds Hendry. "It becomes more and more difficult for them to gather the energy—much less the money and tools—to maintain their home."

The crisis is changing our very concept of a home: Metro's population is nearly 2,000,000 and open space is running short.

The pressure's shifting to more apartment towers and town houses.

And for many, especially the young adults, this is the ideal way to live.

"There will be 90,000 marriages in Canada next year," says Hignett. "These young people will earn higher incomes, have better education and be more mobile. They are not interested in home ownership and they should not be encouraged to want it."

He's talking about one of the major pressure points on today's housing supply—the big post-war baby boom—babies now grown to the age of marriage and forming households of their own.

The great migration from farms to cities is helping undermine the status of home ownership.

So is massive immigration, which reached around 200,000 persons last year.

● Private dwellings 'will never be the ideal again'

Private dwellings "will never be the ideal again," says Hignett.

That's not to say it will vanish. "Home ownership is here to stay," says CMHC vice-president Ian MacLennan. "But it will be the Cadillac of housing."

Says North York Mayor James Service: "We've got to resign ourselves to higher density living and drop the idea of a little house for everyone."

In North York's northeast corner, now under development, one third of the population will live in single family dwellings, two thirds in multiple accommodation.

But the economic winds from the crisis run deep. Consider the federal government's labor mobility program, offering subsidies to entice people to move from backward parts of Canada to where the opportunity is.

Lack of housing—for which the federal government must bear a big share of the blame—works in exactly the opposite direction.

It's chasing people away from boom towns like Toronto.

"This shortage is going to put a freeze on the economy," warns a member of the Economic Council of Canada. "People won't move to the big cities. The labor supply will freeze up. People will be scared to sell or move."

"It will hurt most at the pressure points in the Canadian economy. Toronto is one of the tightest of those points."

Chief cause of today's housing slowdown is Ottawa's tight money policy.

Builders are banging on the doors of their traditional lenders—mainly insurance and trust companies—for money to build apartments and houses.

They're getting a cold reception. Housing is the "weakest borrower" in any economy. And right now the investors are putting their funds to more profitable use elsewhere.

It's the old Canadian story of housing being treated as an instrument of economic policy, rather than as a social imperative. The nation's balance sheet is counted before human need.

When recession strikes, the government turns on the

housing tap, to put money into the economy and generate jobs.

("But must we have a recession before we can get some housing?" asks a despairing economist.)

When the economy overheats, housing gets hit from the other side as tight money cuts off the flow of building funds.

"It's like being on a roller-coaster," says Lawrence Shankman, president of Consolidated Building Corporation. "It's up, then down—with no regard to the actual need for housing."

He yearns for a long-term government housing program that takes into account immigration, population growth and shifts, household formation, and the rate of decay of existing housing.

One major developer had a 340-suite building all ready to begin in North York last October, but went to 15 approved lenders for a \$4,000,000 NHA mortgage and was turned down every time.

The firm still can't borrow the money—even though the NHA interest rate has gone up to 7½ per cent from 6½ when it first started looking.

Insurance and trust companies may lend up to \$18,000 on individual dwellings and up to \$12,000 per unit on apartment projects. They can have the loans insured by CMHC—provided the interest charge is limited to the NHA maximum, now 7½ per cent.

But with money scarce, and other borrowers offering higher rates, these approved lenders have been putting more of their money into manufacturing, office buildings, mining and shopping plazas. The returns are bigger.

In 1965, the approved lenders handed out \$320 million under the NHA. But in the first 11 months of 1966 they provided only \$177 million.

To take up some of the slack, CMHC increased its direct lending last year—to \$530 million by the end of September, compared with \$461 million for all of 1965.

If the big North York developer had got his money last October, the apartments would have been ready for tenants next June.

But the land remains vacant. Last year, there were 134,474 housing starts across Canada—down from 166,565 the year before.

Mr. Hignett sets the national MINIMUM at 175,000 units annually.

● One-third fewer units were started in Metro in 1966

For Metropolitan Toronto, the drop has been even sharper. In the first 11 months of last year there were 15,506 starts, compared with 25,369 in the same period of 1965.

Donald Kirkup, research director of the Toronto Real Estate Board, says Metro needs at least 35,000 new units each year.

Starts of single family dwellings were down from 5,171 to 4,122 in the 11-month comparison; apartments fell from 20,127 units in Metro to 11,384.

And today there's that apartment owner's bonanza—a vacancy rate of less than five per cent, compared with a normal five or six.

Builders are frustrated at lack of money. They say they're being denied the stability which could lead to greater cost-cutting efficiency in their industry.

Says one developer: "Housing is a necessity, but compare it with food. Food is taxed by no level of government and is subsidized by two levels. Housing is taxed by all three levels, and builders are hindered, bled and castigated. Is it any bloody wonder we're in the mess we're in?"

Families unable to find apartments help boost the demand for other housing. The economically fit ones survive and take the best. The lower income families get squeezed out.

And the worst is to come. The drop in 1966 starts won't be felt until later this year, when the units would normally be coming to completion.

"It's going to be bedlam this year," says an Economic Council member.

The unfortunate turn to public housing. But there's not enough of that to go round.

The OHC and Toronto's housing authority together have about 8,000 units in Metro—all filled.

● We need 20,000 public housing units, have 8,000

One informed estimate is that Metro today should have "more than 20,000 units." And the need grows as more and more families get pushed out of the private housing market.

How hard pressed are the families who wait?

Let's look at some of the applications on file:

Robert Bradley, director of the Toronto authority, pulls the card of a family of four, income \$250 a month, now paying \$115 for a six-room house.

Next, a woman with three children, income \$172 a month, now paying \$110 rent.

Lately there have been stirrings of concern at Ottawa and Queen's Park.

"We have to solve it," says CMHC vice-president Ian MacLennan. "It's too near the gut to fool around with."

The Star's research has revealed a ferment of ideas among builders and developers, economists and government officials.

The strongest demand is for a guaranteed flow of mortgage funds, geared to a long term program of house construction.

"With an expanding population, you can't turn housing on and off like a tap," says Economics Minister Stanley Randall. "There may be lots of areas where they can cut back, but this isn't one of them. Too often, money policies in Ottawa have been based on the expediency of the moment without regard to all the consequences."

There has to be a crash program of public housing.

And a crash program means clearing mountains of red tape; overcoming the resistance of suburbs such as Scarborough and Etobicoke, which have procrastinated because of fear of increased school and other costs, or out of plain snootiness.

There's discussion of tax concessions—such as removal of the 11 per cent federal sales tax on building materials—to aid the home buyer, but with safeguards so that the savings won't be creamed off by builders.

There's the suggestion that provincial and federal governments create satellite towns, 30 or 40 miles from Metro, connected by high-speed commuter services. Here land costs government controlled—would be low.

"The satellites have to come," says Randall.

There's the idea of pushing Metro's boundary northward, at least to Highway 7, increasing the supply of land for housing by taking its vital water and sewage services into the new area; alternatively, that the provincial government, acting through its Ontario Water Resources Commission, take the services northward.

There's the proposal that the province—with federal help under the NHA—assemble big tracts, as well as individual lots, in and near Metro, and lease them to home buyers, with an option to purchase later on.

This could cut the price of a \$25,000 home to \$15,000. Above all, there's the demand that the federal government—with its massive fiscal and monetary powers—start looking at adequate housing as a social necessity, one of the basic needs of human life, the right of all Canadians in their rich society.

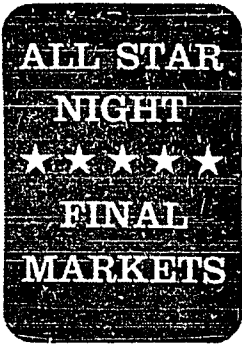
This is really a demand that the crisis be tackled with some of the co-ordinated energy and inventiveness the nation musters in war.

NEXT: The crisis in land.

METRO WEATHER
Snow tonight and early
Friday. Chance of freezing
rain. Colder. Low 32, high
33. Details page 2.

ESTABLISHED 1892

Toronto Daily Star
December paid circulation 359,360 copies per day Thursday, January 26, 1967 — 60 pages 10c per copy, 60c per week home delivery



Housing boss pledges ‘thousands of homes’

By JACK CAHILL
Star staff writer

The Ontario Housing Corp. is prepared to start a crash program aimed at providing “several thousand” new homes across the province by the end of this year, managing-director H. W. Suters said today.

He said the program would get under way as soon as the province’s comprehensive new housing plan—announced in yesterday’s Speech from the Throne—is approved by the federal government.

We’ll not get
the 170,000
we need:
CMHC boss

OTTAWA (CP-Special) — Canada’s housing construction should be back in stride and matching demand by the end of 1967, H. W. Hignett, president of Central Mortgage and Housing Corporation, predicted today.

But until then the gap that developed in 1966 between housing needs and housing production will not be closed and Canada cannot expect the 170,000 new units in 1967 that it should have, he said.

Mr. Hignett, in a statement before the Senate-Commons committee on consumer prices, saw several reasons for optimism this year.

Hignett warned that if the gap between needs and production continues “it will result in an acceleration in the increase of housing costs, as well as a deterioration in housing standards.”

The government had begun some housing programs for low-income families, “but the magnitude of the programs is still far short of what the situation requires.”

He gave these reasons for optimism: With the economy under less strain, more private mortgage funds would be available.

The chartered banks would be returning to the mortgage lending field under provisions of the new Bank act after an absence of eight years.

More on page 34

The first 800 homes under the plan, he said, would be built at the OHC’s development at Thisleton. Ottawa already is aware of the Ontario plan and is expected to give its final

• Other Legislature stories on pages 4, 7 and 49.

approval at a joint housing conference Feb. 10, Suters indicated.

The province’s plan, dubbed Home Ownership Made Easy (HOME), provides for government purchase of raw land that would be leased lot-by-lot to home-buyers.

This would slash down payments by as much as half in most cases because buyers would only have to worry about the cost of the house alone.

Money to buy the land is expected to come from the federal government loans, and by the province using its own superior credit to get low-interest loans from private investors.

Suters stressed that success of the program depends largely on public reaction and availability of mortgage money once land is available.

“The fact that land is available doesn’t mean houses will be built, but we’re very optimistic about it,” he said. “We’re giving ourselves a target and we’re going to try to achieve it.”

The HOME program brought quick reaction:

• Toronto Mayor William Dennison said it “won’t do anything for us” because the city has no open land. He wants more aid for persons who lack the down payment for a home and must rent.

• Builders’ views were mixed. Some questioned

See HOUSING, Page 4



☆ The Home-Ownership-Made-Easy plan announced yesterday in the Ontario Throne speech comes too late to help thousands already struggling under the burden of big mortgage payments.

When Stu Morrison moved to Toronto from Montreal, he thought that \$2,500 increase in salary was really going to mean something. But a house ‘not as nice’ as the one they were buying for \$134 a month in Montreal is costing the Morrisons \$212 in Toronto.

Today, The Star’s special team—which has spent weeks investigating Metro’s housing crisis—tells why Central Mortgage and Housing Corporation left the Morrisons to fend for themselves.

Why Stu Morrison pays \$212 a month for his bungalow in Metro’s suburbs

By FRANK JONES
Star staff writer

This is the story of a man who, in the best Canadian tradition, set off with \$3,000 in his pocket to buy the usual little three-bedroom bungalow in the suburbs.

It is the story of what happened between then and the moment he sat with his wife and children in their new home quizzically studying what amounts to three mortgages—requiring him to pay \$212 a month for principal, interest and taxes.

It is the story, in fact, of how the Central Mortgage and Housing Corporation has washed its hands of the man who wants to buy a home in or near Metro.

The man is broadcaster Stuart Morrison, 30, who came to Toronto from Montreal last fall to join station CFRB.

The CFRB job offered him about \$2,500 a year more than he was getting. Stu thought they were lucky to sell their Montreal home for \$18,000 considering they had paid \$16,000 for it three years before.

A frantic hunt

The Morrisons, Stu, wife Ann, David, 6, Diane, 5, had to get out of their Montreal home within a couple of weeks, so Stu began a frantic house hunt in Toronto while his family was still in Montreal.

“We had four bedrooms in Montreal and that was too much. We just wanted three, and we weren’t looking for anything very grand,” he says.

But the price of land in Metro has reached the point where it is not sound economics to build small, inexpensive homes. Stu could not find a new home for sale with less than four bedrooms.

He finally settled on a four-bedroom bungalow in Coronation Park, a subdivision in West Hill. The price, as Stu remembers it, was around \$24,500.

The average price of new homes in Metro, according to the Toronto Real Estate Board, is now around \$28,500. The maximum mortgage available under the National Housing act is \$18,000. This disparity means the purchaser of most NHA homes has to find a very large down payment.

The only alternative to an NHA mortgage with its government-set interest rate is a conventional mortgage.

The going rate

These usually are given by insurance companies, trust companies, and other big financial institutions. Conventional lenders will often give a mortgage of up to 90 per cent of the value of the property, but the going market rate of interest is usually charged—higher than under NHA.

Because conventional mortgages are not subject to the \$18,000 limit, more and more Metro builders are seeking this type of financing so they can offer homes with lower down payments than is possible with NHA financing.

Conventional loans today run around 8 to 8½ per cent. The NHA rate is 7¼ per cent.

The home Stu Morrison wanted had conventional financing. He was able to get what amounts to a first and second mortgage rolled into one to cover 87½ per cent of the value of the home.

\$20,800 at 8%

That meant a mortgage of \$20,800 at eight per cent. But because the mortgage was so large a \$500 payment was necessary for mortgage insurance in case the Morrisons default and that added \$500 to the cost of the house. Without it that big mortgage need only have been for \$20,300.

Stu was still \$1,140 short of the required down payment, so the builder said he would give him a second (actually a third) mortgage for that amount at eight per cent.

This meant the Morrisons would be paying \$159 monthly on their big mortgage. \$15 on their small one, plus \$38 for taxes, for a total monthly payment of \$212.

Stu phoned Ann in Montreal with the glum news,

See WHY STU, page 8

Cut in U.S. bank interest spurs stocks

The latest move in the pattern of falling world interest rates—cutting of the prime lending rate by the big Chase Manhattan Bank of New York—touched off a trading surge on the stock markets today.

The Chase Manhattan move, made at about 12.30, brought a sudden reverse in a declining New York stock market. From a loss of nearly five points, the Dow Jones industrial average

quickly became even as the trading pace quickened, then edged upward to a gain of between one and two points by mid-afternoon.

The ticker tape ran as much as eight minutes behind transactions during the upsurge.

The Toronto stock market was little changed in late trading, but it had been sharply lower before the New York recovery.

Investment sentiment ap-

peared to be that easier money means more growth: Most of the buying on Wall St. was directed to the glamor stocks with the greatest growth potential—electronics, office equipment and computer issues.

The Canadian bond market was strong. Dealers said that if other major U.S. banks followed the Chase Manhattan action, the Bank of Canada would almost certainly lower the bank

rate by one quarter of one half per cent.

Chase eased its prime rate—the rate charged to top-grade customers—after yesterday’s trimming of the British bank rate to 6½ from seven per cent.

Further confirmation of the easier-money trend was given today when several U.S. financial houses lowered their rates on bankers’ acceptances.

(Stock tables page 12)

THE PEOPLE SAY

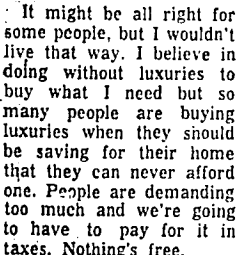
THE TOPIC: In the Speech from the Throne yesterday, the Ontario government announced a new housing plan. By leasing land to home purchasers it would cut the cost of buying a new house and encourage more people to buy their own homes.

THE QUESTION: What do you think of buying a home on land that you do not own?



If it cuts the cost of homes to bring them within reach of the average family it will be well worth the cost. Naturally, there will be some problems with such a scheme, but the housing shortage for the lower to middle-income families is so severe we've got to do something. These families should be assured a reasonably comfortable family atmosphere.

—Morton Saville, engineer



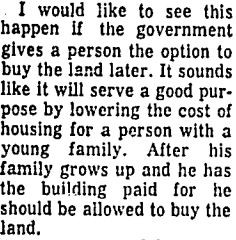
It might be all right for some people, but I wouldn't live that way. I believe in doing without luxuries to buy what I need but so many people are buying luxuries when they should be saving for their home that they can never afford one. People are demanding too much and we're going to have to pay for it in taxes. Nothing's free.

—Reg Belluz, farmer



I don't like it. There are many more problems than where people own the land. Who would look after landscaping and trimming trees and other things? A home owner usually does. Will it mean the province will have to build up a big staff to take care of the grounds? Certainly a lot depends on the cost of leasing.

—Janet Pooley, medical technician



I would like to see this happen if the government gives a person the option to buy the land later. It sounds like it will serve a good purpose by lowering the cost of housing for a person with a young family. After his family grows up and he has the building paid for he should be allowed to buy the land.

—John Pinto, driver



Personally, I would like to own the land, but I think the lease idea is preferable to subsidized housing. It would probably encourage more people to be self-sufficient as far as housing is concerned, if they have some personal investment in the property.

—Larry Taylor, store salesman

It's a great idea, but . . .

Builders ask: How will they get the land together?

The province's proposed Home Ownership Made Easy (HOME) plan was jeered and cheered by the housing professionals last night.

Scepticism was most pronounced among those who have had experience assembling land for housing—a field the province now proposes to enter.

Under HOME the province would develop and service new land on a major scale and make it available either by rental or sale to potential homeowners. The lots would be offered to housing co-operatives and merchant builders for the construction of moderately priced houses.

Harold Sadler, president of the Toronto Metropolitan Homebuilders Association, said anything that makes land available for sale or lease at reasonable prices make homes available for more people.

He said all builders want

is a steady flow of mortgage money and available land. "and we are ready to go ahead."

Harold Shipp, whose firm both assembles land and builds homes, said unless Queen's Park has "found a magic wand" it is going to take the government as long to service and develop land as private firms.

He said he could not see the province "waving a big stick" and forcing municipalities to cut red tape, complicated planning procedures "and roadblocks" that the province itself helped to set up.

This meant it would take a minimum of a year and up to four years to get the plan from the idea stage to the service lot stage, he said.

But, he said, the housing shortage is "here and now." This meant the only way the province could get serviced lots would be to buy them from firms like his which had shepherded them through all the planning

hoops. This meant the province would have to pay the going price (about \$10,000 a lot) in order to obtain land in the near future.

Herbert Stricker, vice-president of the Urban Development Institute, took an even dimmer view of HOME.

He charged the provincial government itself is "the big stumbling block" in providing housing at reasonable cost, because of the procedures it requires of developers.

The institute, like the housebuilders and the realtors, is preparing recommendations for the Ottawa-sponsored conference on housing in Toronto Feb. 10, he said.

Among them would be one which called on provincial governments to set up a different set of rules for land development in order to make more and cheaper building lots available.

Toronto Real Estate Board chairman E. W.

Dempster said the leasing idea is feasible. He worked out such a proposal with a builder in 1959.

It reduces the down payment, cuts monthly carrying charges and often includes provision to purchase when the lessee wishes.

"But if the interest charged on the land is too

low it is economically unsound from a public viewpoint," he said.

Dempster saw another problem. There are more than 4,000 Metro houses listed for sale now on the multiple listing service.

As a result of the government announcement "every one of these vendors is placed in a position where his house is harder to sell and it will remain this way until the government acts on this announcement."

"Buyers will say, 'Why should I buy any resale if the government can give me something cheaper?'" he added.

Housing discrimination to go

"An excellent step forward," said Sydney Linden, general counsel of the Canadian Civil Liberties Association, commenting on the Speech from the Throne announcement that all rental housing accommodation will be made subject to the Ontario Human Rights Code.

When housing discrimination was prohibited in Ontario in 1962, the code was

made to apply only to apartments with more than six units. In 1965 it was amended to prohibit discrimination in buildings of more than three units. Now the ban will apply to all housing.

Mr. Linden said that the association had handled many complaints about housing discrimination in the smaller apartments

where the human rights code didn't apply.

Under this "advance," he said the Human Rights Commission will be able to handle all such complaints of discrimination.

"We are extremely happy to hear this change is proposed," said Clarence Lewsey, president of the WIF club. "This will make Ontario a better place to live."

Tell more on land-lease Metro politicians urge

Metro politicians today greeted the province's plan to beat the housing crisis with a chorus of "more details, please."

But along with the curiosity there were misgivings from suburban mayors, and Mayor William Dennison stated flatly that it won't help Toronto.

Dennison commented: "It will only work in the suburbs where land for houses is available. It won't do anything for us."

Within an hour of the Throne speech outline of the plan to cut home purchase prices, the Toronto Board of Control wanted to know more about Home Ownership Made Easy (HOME).

The board passed a motion urging an immediate conference with provincial leaders.

'MAJOR STEP'

Controller Margaret Campbell, the city housing boss who has been pushing unsuccessfully for a Queen's Park conference on housing, welcomed the plan as "a major step towards solving Metro's biggest crisis."

"I want to know more about it and others do too," she said.

Dennison told The Star: "We are running out of space. I don't see how the OHC program can stop that."

He said that while he wants elderly people to stay in Toronto he thinks families needing more room should be on the move.

He said the plan to encourage OHC tenants to buy the public-housing units they occupy will diminish the housing supply for low-income families.

"It's the low income people who must rent who need help now, not people who can afford to buy even with a provincial land subsidy," said Dennison. "I see no long-range advantage to the program."

'LITTLE SENSE'

Others who sought more information yesterday and who raised some misgivings

about HOME were Mayors James Service of North York, Albert Campbell of Scarborough and Edward Horton of Etobicoke.

"I don't want to sound too critical," said Service, "but it doesn't appear to make too much sense."

"They have some good points which need deep study," said Horton. "The

program needs a financial estimate to go with it. Too many questions have yet to be answered."

"At times they seem to have unlimited funds to spend," said York Mayor Jack Mould. "It's all good legislation, particularly if the province can put serviced residential lots in and around Metro."

Nixon calls speech 'dreary, inadequate'

By ROBERT ADAMS
Star staff writer

Opposition party leaders Robert Nixon and Donald MacDonald found yesterday's Throne speech a dreary and inadequate document, but for different reasons.

Liberal Leader Nixon criticized the government for failing to indicate whether it plans to ease the burden on municipal taxpayers.

"There is not even a hint that the government will assume more of the costs of education (now largely paid by municipal taxpayers)," Nixon said.

He conceded that Premier John Robarts may be waiting for the Smith committee report on taxation but he pointed out that the committee was formed in 1962 and that people's patience is wearing thin.

The lack of municipal tax relief, he said, "is a serious omission for the people of Ontario who are looking for leadership in this matter."

New Democratic leader MacDonald described the speech as a dreary affair that concealed more than it revealed.

The speech confirmed the government's basic unwillingness and incapacity to grapple with Ontario's problems, Mr. MacDonald said.

He noted there was no mention of car safety and no assurance the government would try to cope with unnecessary price increases. There was silence on the whole question of car

insurance, nothing on further development of medicare "and not a word on the range of explosive problems which now command growing attention in university affairs."

The government's slogan for Centennial year is obviously, "Back to the drawing boards," MacDonald said.

SHAMEFUL LACK

The public, having listened to Health Minister Dr. Matthew Dymond defend the government's "shameful lack of treatment facilities for emotionally disturbed children," will note with interest the government's announcement of a program for eight regional diagnostic and treatment centres, MacDonald said.

"It should be borne in mind, however, that this is the fourth time this program has been announced," he said.

Mr. Nixon described the government's "Program for People" as an "inadequate blueprint for the opening year of our second century."

Nixon conceded that some of the programs are necessary and singled out the government's efforts to bring about equality of educational opportunity.

Nixon chided Premier Robarts for proposing a national conference on Confederation. He said it could be useful but that if it ended in a squabble, it could hurt the nation.

Speech from the Throne

Robarts' '67 package: goodies for everyone

An election-year package of something for almost everybody—with no prospect of tax increases—was unwrapped by the Robarts government yesterday as the Ontario Legislature opened its Centennial session.

The Speech from the Throne read by Lt.-Gov. Earl Rowe promised legislation to tackle the housing crisis, bigger grants to schools, provincial control of air pollution and a public inquiry into divorce laws.

Other speech highlights:

CONFEDERATION—The government invited Prime Minister Pearson and all provincial premiers to Ontario for a conference on Confederation, which Robarts said later would "explore what can be done to ensure a strong and united Canada."

CHILDREN—Eight regional diagnostic and treatment centres for emotionally disturbed children will be built and a special diagnostic centre set up for children referred by juvenile courts.

INVESTMENT—Legislation will be introduced to safeguard people's savings, possibly as a reinforcement of federal proposals to require insurance on bank and trust company deposits.

DISCRIMINATION—Racial, religious and other forms of discrimination will be outlawed in all rented accommodation. Existing law does not cover houses and small apartment buildings.

COMPENSATION—Persons injured while voluntarily assisting police will be compensated. At present only those called on for help are eligible.

FARM GRANTS—There was also an offering to the rural electorate in the form of expanded capital grants to farmer, bur-

saries to increase the number of veterinarians, and special educational programs to give rural children better educational opportunities.

And the north was not forgotten. An educational resource centre will be set up in northern Ontario to provide portable schools and other aid to children in isolated areas.

Critical reaction from opposition party leaders indicated the session could be long and hectic, and Robert Nixon seemed anxious to establish his image as that of an eager and forceful leader of the Liberals.



CONDOMINIUM owner Mrs. Barbara Shapiro explains to Star writer Frank Jones the advantages—and disadvantages—of living condominium style. The Shapiro's three-bedroom row house 25 miles from New York cost them \$22,000, including air conditioners and dish washer. They invested \$2,200—now pay \$166 a month for mortgage and taxes, plus a monthly maintenance fee of \$40.

Apartment living--without the landlord

Continued from Page 1 normally don't come with home ownership.

The Westchester Hills Condominium, or West. Hill. Con. as it is abbreviated on signs, nestles comfortably on a slope overlooking the expressway which leads to Manhattan.

"We lived in a one-bedroom apartment in the Bronx before we came here a year ago," said Barbara, who has two children, Lori, 4, and Leslie, 8 months.

"But the apartment was getting too small, and besides I'd had it with apartment living—waiting for elevators, Lori not being able to go out except with me . . . that sort of thing."

They'd put a deposit on a low-rise garden-style apartment when they saw an ad for the West. Hill. Con. Barbara went out to see it and signed up that day.

"I think it was the idea of living on the ground floor that sold me," she said. "We'd always lived in apartments."

She was also dazzled by a kitchen that included a dishwasher and garbage disposal unit, and the two air-conditioners that were included in the \$22,000 price, and the attractive, thickly-carpeted community recreation hall, which has its own stone fireplace and bar for parties.

\$2,200 down

They agreed to a \$2,200 down payment and now pay \$166 a month for mortgage and taxes plus a monthly maintenance fee of \$40. Len Shapiro is a dental technician, and they have little difficulty paying for the place out of his \$14,000-a-year salary.

"What's life like in West. Hill. Con.?" "I like it," said Barbara. "We have a little enclosed yard at the back and Lori

can wander in and out as she likes. In the apartment she was anti-social, but she's met a lot more kids here."

Anti-social West. Hill. Con. isn't. All the houses in the Shapiros' row are linked up by inter-com and if she steps out for a moment Barbara just leaves the switch open so that her neighbor can listen to the children in case of trouble.

Dozens of committees have sprung up and the community notice board is packed with notices of events. Barbara and some of her neighbors have organized a nursery school in the recreation building and have hired two teachers to run it.

Few work

This is purely an educational rather than a convenience venture because hardly any of the women in the condominium are working mothers.

There is another side to the coin. Factions and cliques have formed, and these sometimes argue bitterly.

"It got to the point where two women hated each other so much one of them called a special meeting of the condominium to settle their dispute," said Barbara.

She rarely opens her mail box without finding a petition or a notice of some new campaign or organization. One dropped into the box while she was talking.

Mutual property and discipline matters are handled by the condominium corporation made up of the 215 West. Hill. Con. families.

A board of directors is elected annually by the families. The corporation employs a maintenance staff of three.

Len, 32, is like many oth-

er husbands in this maintenance-free environment, and works long hours. He is rarely home before 11 p.m. and Barbara said with a smile, "He only worked seven days last week."

But she enjoys the closeness with neighbors and the play space for the children. "I haven't reached the point where I could scream once since we've been here," she said.

Panelling

She feels they own the place to the extent that they had a carpenter put panelling on the stairway and she painted it. "But if these places were for rent we'd still live here. There's not that much difference," she said.

Downtown on Park Ave. lawyer Edward Schiff, who is an expert in the field, explained exactly what the difference is between condominiums, rental units and co-operatives.

Co-operative apartments have been built in New York for many years and some, for upper income people and university students, have been built in Toronto.

The co-operative owner purchases shares in the corporation, which owns the building. In return the owner is given occupancy of an apartment.

But there is only one mortgage on the building and one municipal tax bill. This means that downpayments and monthly mortgage payments for all the occupants are rigid.

If for any reason suites are empty, the other occupants must carry an extra burden to make up the mortgage, taxes and maintenance costs for the empty portion.

Condominiums, dating back to Roman times, were revived in Puerto Rico in recent years and now every

state except Vermont has passed condominium legislation.

Condominiums, like rental apartment blocks, are built by speculative builders who sell off the units.

Each unit carries its own mortgage—meaning there is flexibility in the amount of down payment and the terms of the mortgage, and each unit is also taxed individually.

Easy to resell

The occupant has absolute ownership of his unit, whether it's a row house or only a slot in the sky in a high-rise building. He is also a stockholder in the corporation which owns communal property such as elevators.

Because he owns his actual unit instead of just shares in a corporation, the condominium occupant has a feeling more akin to home ownership. For this reason it is also easier to resell his apartment or row house.

The occupant pays a monthly fee for maintenance to the condominium corporation, and, of course, this goes up if costs go up.

If the building is half empty the occupants will have to pay more to cover maintenance costs for the empty portion. But they are not usually liable for mortgage payments or taxes for the empty portion.

One problem with condominiums—and co-operatives—is that if your neighbor keeps you awake playing the piano all night there is no landlord to complain to.

Bylaws

But, according to Mr. Schiff, every condominium purchaser, as a condition of buying, must agree to abide by the corporation's bylaws governing behavior.

If he doesn't, he can be taken to court and sued or an injunction can be issued against him to make him stop his anti-social behavior.

Few problems of this kind have been encountered in the New York area, according to Mr. Schiff. "I think it's because most people here were brought up in apartments or tenements. They're not sensitive about neighbors," he said. "I don't know if the same thing would hold true in Toronto because most people there have lived in homes."

And maybe it doesn't hold as true in New York as Mr. Schiff thinks.

One of the problems with condominiums is that they have tended to serve people in higher income brackets.

To provide a similar type of housing for people with less income New York City has been subsidizing co-operative apartment buildings for a number of years.

Warfare

I visited one such building and found it in a state of almost open warfare. Occupants with children were ranged against those without children.

There are 135 of these buildings in New York with a total of 59,232 apartments. Occupants can earn only a certain income, depending

on the size of their family, and they pay \$475 a room down payment plus \$22 a month per room to help pay off the mortgage.

They are built by private firms, then handed over to a co-operative owned by the occupants, and get a low 4½ per cent mortgage plus city tax relief for 30 years.

It's a terrific deal. But Michael Chabala, 71, isn't happy about life in his building at fairly central 82nd St. and York Ave.

"I can't stand those darned kids," he said. "They're always causing damage and the rest of us have to pay for it. Look at that!" He pointed to holes knifed in he wall by the elevator.

"There's no landlord to keep them in order, that's the trouble," he said.

Tirades

Along the hall, Mrs. Margaret Kline, who has three children, said: "A lot of these old people have forgotten how it was to bring up kids themselves."

She told how a chummy little newspaper put out by the building co-operative had become a platform for tirades against children.

In the latest skirmish, a girl scout group had been banned from using the building's community room because some of the girls came from outside the building.

The Klines, who earn \$9,000 a year, have a three-bedroom apartment with a huge 28-foot living room. Their down payment was \$3,100 and their monthly payment is \$136.90.

Like other tenants I spoke to, they have no intention of moving.

A private apartment building has just been completed across the road from them and a three-bedroom apartment there rents for \$400. If they do move they will only get their \$3,100 down payment back and their apartment will go to the next person on the waiting list.

Middle-income

Condominiums and subsidized co-operatives may be two ways of enabling middle-income people—the hardest hit by the present housing crisis—to live with in reasonable distance of downtown Toronto and still have the security of owning their own place.

Is there any reason why they should be helped to live close-in?

Listen to Mrs. Kline: "My husband and I were brought up in this district. We know people here. We know the schools. We like it."

"I don't think my husband would ever want to leave. He takes our dog for long walks Sunday in Central Park—he likes to see what's going on at the museums."

"If it's a nice evening we go out to get the paper and maybe stop in at a restaurant for a coffee. There's plenty going on. There's plenty of life here and I'm glad we're bringing the kids up here."

NEXT: What's being done to solve our housing crisis?

People who prove the need for a condominium law here

By MARILYN DUNLOP
Star staff writer

Two years ago Mr. and Mrs. Jim Bennett bought their first home.

But they've never felt like home-owners.

They made a down payment. They pay on a 25-year mortgage. And they live quite comfortably in the two-storey, three-bedroom house in Etobicoke.

But they hold no deed to their home, can't put up a fence or a hedge or shovel their own walk if they want.

They feel like renters who have paid a big financial deposit.

The reason is chiefly Ontario's lack of legislation covering "condominium housing" . . . a type of attached housing in which each family owns its own place but all owners jointly control the property.

The Bennetts' home is one of 92 units, built along the banks of the Humber river on a spacious tract of land. Split into 12 buildings, each containing seven to 14 attached homes, the development is soundly built and attractive.

Paradise?

And in the spring of 1965 it looked like paradise to car salesman Bennett and his wife.

Parents of two lively young sons, they had been apartment dwellers for as long as they could stand it.

For five years they had scrimped and gone without new clothes or evenings-out to save a down payment for a house.

They had gathered \$2,000 and were thinking of a house of their own when an unexpected blow fell. Car makers went on strike. Jim's earnings dropped drastically. A big chunk of his savings disappeared.

A home of their own seemed a hopeless dream again.

So, when they heard about the town houses built by the Rubin Corporation in a new type of development off Albion Rd., they figured it was just what they wanted . . . a stepping stone from apartment life to home ownership.

For less than \$500 down and monthly charges of \$159 they could get a home with a friendly living room including a gorgeous view of the river, a kitchen with dining alcove and a utility room on the main floor; three bedrooms and a bath upstairs.

It would leave them enough of the savings to buy a stove and fridge, a washer and dryer.

They were told that as owners they were responsible for the interior of the house, but all maintenance of the grounds including such things as snow shovelling would be taken care of by the "managers."

With Jim working many evenings, this suited them fine.

Didn't check

They didn't get a lawyer to check the deal.

The development had a trustee, the Royal Trust Company, looking after the interests of the 92 "owners."

Now the Bennetts and some of their neighbors wish they'd known more about the difference between owning a home of their own and the responsibilities they took on in this joint-ownership project.

They weren't aware that, because the province lacks legislation which makes it possible, they could not hold a deed to their own dwelling.

Condominium housing is not legally recognized. Bylaws now insist that a property have a certain frontage for individual ownership.

Alex Rubin, president of the Rubin Corporation, agrees that the purchasers feel cheated of true ownership because they cannot "own a piece of paper" or be registered as the owners of a home.

He, too, believes condominium laws are urgently needed. As a developer, he finds their absence makes it nearly impossible to get financial backing to build.

A law, he says, would win for this type of housing recognition by CMHC and financial institutions. It would also make it easier for him to sell the homes. Now he runs into resistance from lawyers who advise would-be buyers not to purchase because such housing it not backed up by law.

The snags

The Bennetts were not aware that they were responsible for more than the interiors of their own homes.

At the end of the first year they discovered they were, in fact, their neighbor's keepers.

Should a neighbor fall behind in mortgage payments and be evicted, the rest had to pay. In the two years, 10 of the 92 have left the others to pay their debt. The first year, monthly payments went up \$9. to cover the deficit.

They also pay, jointly, for any damage done to the property.

Rubin believes this makes occupants look after the property more carefully. "They know that lack of care will be charged back to them at the end of the month," he says.

As the Bennetts saw it, they were being asked to support their neighbors. "We can't afford it," Mrs. Bennett says. "We've had to work darn hard for every penny we have."

They say it was not until they had moved in that they were supplied with a copy of the full contract . . . a 31-page yellow-covered agreement.

From it they learned that their rights were governed by the Landlord and Tenant act of Ontario.

"How can you 'buy' something, you don't own?" asks Mrs. Bennett.

'Stability'

The yellow book also explained that the Royal Trust Company has purchased the project from the



Rubin Corporation and hired the corporation back as manager.

Alex Rubin explains that the Trust Company was brought in to give the project "stability" and to "give the purchasers confidence because there is no legislation."

The trust company acts as an overseer, watchdogging the management.

But some householders, such as Mrs. Bennett and her neighbor Walter Shuberth, resent this outside control.

They would like to have more say in their own affairs.

That feeling was heightened two days before Christmas when they received notice of a new cost increase.

This time their payments went up \$5. They also faced a tax review bill of \$43.32 because they had not been charged enough to cover 1966 taxes.

Shuberth and Mrs. Bennett wish they could cut costs by doing more of their own maintenance.

"Wednesday, I saw a man sweeping off our porch alcoves," Mrs. Bennett says. "In an apartment I would have shrugged and been happy to have him do it."

"But now I say to myself 'Hey, it's my money that's paying him to do that. I didn't ask for a man to sweep my step. We're perfectly capable of doing it ourselves.'"

More 'say'

A couple of times the "owners" attempted to form an association and gain more say in looking after their homes.

Once they chipped in \$5 a household and hired a lawyer to see if he could get them more control of their properties.

"Most of the families can't spare \$10 or \$15 for legal fees," Mrs. Bennett says, "and the lawyer couldn't do much for us. I didn't have the heart to ask families for more money to carry the fight farther."

The association died. According to the agreement between owners and the trustee, 72 of the 92 householders must be in agreement for any major change in governing the housing.

"You can't get that many people to agree," Mrs. Bennett said.

Rubin feels that there must be a management control "for the good of all."

This management costs the owners more than \$10,000 a year . . . up \$2,000 from last year's management costs. They also pay the trust company a \$900 annual fee.

Some of the owners complain that they do not know how their maintenance money is spent. They would like the chance to try and cut it down.

But as long as they are paying, they want service.

"The last snow fall, it was three days before our walks were cleared. I don't think I'm unreasonable; I don't expect them to be magicians and clear it before it stops falling," Mrs. Bennett says.

But if she can't save any money by doing it herself, she's darned if she'll shovel.

Tension

The irritations and conflicts have led to an undercurrent of tension that makes the project "not a happy place to live," Mrs. Bennett says.

Yet she believes the idea of attached town houses is "basically sound."

The houses are cheaper to build and more economical to heat and maintain. "In group housing," says Rubin, "you can get things wholesale . . . heat, hydro and maintenance are far less for 100 group homes than for 100 individual homes."

The 92 units cost \$13,000 to \$14,350 each.

Taxes are not cheap, (the Bennetts pay \$324) but they are less than single houses because each home has less land.

Fifteen to 20 row houses can be built on an acre compared to six average dwellings.

Rubin says low down payments or a choice of financing with long or short term mortgages is possible.

He also believes that more condominium housing in Metro would improve community planning.

With group housing, play areas and parkland surrounding the homes, areas can be more attractive and spacious than the patch-work quilts of individually owned yards.

\$3,000 profits

Rubin adds that in a similar development on north Jane St., the people who bought in two years ago are "now making \$3,000 profit on the re-sales."

Mrs. Bennett agrees that on today's market you can't get much better housing for your money.

"But we must have condominium laws that will make it possible to live in them."

Right now, without the power to improve her home outside or in and without a deed in her hand, she feels helpless.

"It's a home that is supposed to belong to you— but you feel it does not."

ONTARIO INTERESTED--BUT IT'S NOT EASY

The Ontario government is interested in condominium legislation but is unlikely to produce it during this session of the Legislature.

Condominium was among the subjects turned over for study to the Ontario Law Reform Commission a year ago by Attorney-General Arthur Wishart.

Extensive research has been done on condominium legislation in British Columbia, the United States and other countries, but the commission hasn't yet made recommendations on how it could be accommodated in Ontario law.

The report could come down within the next two months.

"We're very much interested in the condominium concept," said Economics and Development Minister Stanley Randall.

"If it will supply housing at a price people can afford to pay, we're interested."

'Dreamed up when heat on'

Bryden attacks HOME plan

The Roberts government's new housing plan was "dreamed up in about 24 hours when the heat was on," NDP housing critic Ken Bryden told a party nomination meeting for the provincial riding of Etobicoke last night.

The plan (HOME for Home Ownership Made Easy) would never come to grips with the province's gargantuan housing problem, said Bryden, who represents Woodbine in the legislature.

"Where are they (the government) going to get the land?" he asked. "Continue the urban sprawl until we reach Lake Simcoe?"

Through its HOME scheme, the government intends to assemble land lots and lease them to families—thus removing the cost of land from the price of a home.

But Bryden said over 1,600 of the 2,000 acres the government says it has assembled are contained in the Scarborough Malvern project.

"This means they have

less than 400 acres," he said.

Only a "small select group" will therefore be able to obtain homes under the plan, said Bryden, and most people will still be "without a home or with inadequate housing."

He said only large-scale public housing—not a home ownership plan—will end the housing shortage.

"There is no easy solution," said Bryden, "but we'll never get the problem solved unless we start developing an overall housing

program with major emphasis on public housing.

"Everyone just can't have a single family dwelling."

The meeting nominated Mort Warling, principal of McKee Ave. public school in North York, as its candidate in the next provincial election.

Mr. Warling, 36, graduated from the University of Toronto and taught in North York and Toronto public schools. He has been active in NDP riding organizations.

Federal-provincial meeting to work out housing plans

Economics Minister Stanley Randall will reveal details of the government's new housing policy for Ontario after next week's federal-provincial housing conference here.

Ontario and the federal government will work on the details of the HOME

(Home Ownership Made Easy) program at the meeting. Under this scheme the provincial government will buy land and lease it to home owners, thus reducing mortgage costs.

Randall says his government will encourage use of undeveloped land anywhere in the province.

TORONTO DAILY STAR, Sat., Feb. 11, 1967

CRISIS ON THE HOME FRONT

What you told us about housing --reprisals, fear and greed

Because of Metro's housing crisis 25-year-old Patrick Scott and his wife, Ava, live 500 miles away from their two young children.

Jean Laberge pays \$30 a month for a Clarkson summer cottage for himself, his wife and six children—without running water and with only an outhouse.

A widow with two children has been told to hand over nearly all her savings to her landlord for a security deposit although she has rented from him for six years without one.

And a couple with three children have been ordered out of their apartment after three years because suddenly "The children aren't good tenants."

Tales like these abounded among the deluge of calls and letters which came to The Star as a result of the Crisis on the Home Front series which ended this week.

The articles touched a raw nerve for thousands of people and brought a bigger response from readers than any Star series in recent years.

In preparation for the articles, reporters Michael Best, Marilyn Dunlop and Frank Jones spent two months interviewing hundreds of government and industry officials, social workers, homeowners

in Clarkson. The rent is cheap—\$30 a month. It should be.

It has no running water—the pump is about 100 yards up the lane—and toilet facilities consist of an outhouse.

"It takes me about an hour to bring across enough water to do the washing," says Mrs. Arlita Laberge, whose husband is a \$1.75 an hour laborer.

No one, it seems, wants children when housing is short.

A father of three who has lived in an apartment for three years paying \$150 a

They waited 5 years for public housing

month said he'd just been ordered out because he has too many children. "The children were good enough tenants for three years," he said bitterly.

A desperate mother of four young boys phoned to say she was being evicted because she couldn't pay the \$125-a-month rent for her Delano Pl. apartment. She is on welfare and the maximum housing allowance given by the welfare department is \$85.

Mrs. Kathleen Carmichael, a widow, is bringing up two sons and has lived in the same Eglinton Ave. W. apartment for six years.

When she moved in in 1961 the rent was \$95 a month. By last month it had gone up to \$106. The landlord has told Mrs. Carmichael she can sign a two-year lease but would have to give him a \$90 security deposit.

"Now if that isn't the most ridiculous thing," she writes. "Here I have rented this apartment for nearly 6½ years and they now want a deposit." Her total savings after scrimping for the past five years and going without entertainment are \$100.

If she doesn't pay \$90 of that to the landlord, she will be renting on a month-to-month basis, her rent can go up any time, and she can be ousted on short notice.

"Sometimes I wonder if it's all worth while," she writes.

Although the aim of the articles was to get government action to ease the housing situation, an ironic and unintended result was that some landlords used the series for their own gain.

One caller said last week his landlord came to the door with The Star in his hand saying how tough things were all over—"Just look what they're saying in The Star."

Then he informed them he was raising the rent \$15 to \$150 a month. The couple have two children and a two-bedroom apartment, and when they went looking they found they'd be better off financially to stay.

"But don't use my name in the paper. The landlord wouldn't give us a lease, and we can be put out at any time," the husband told The Star. He said several of his friends had similar experiences.

A real estate man complained he lost three listings because of the series. Some people read about the shortage and decided to stay where they were, he said, others held on to get a higher price later.

A number of people phoned to ask if they should buy now or wait.

The answer: experts say mortgage interest rates will go down by the end of this year. But land prices—even if governments take promised action to reduce them—could be higher by the end of this year because of the lag between promises and action.

It's six of one, half a dozen of the other.

One mother of two pre-school boys called to say she'd waited too long before buying a house.

The one she lived in was bought to expand the Macdonald-Cartier Freeway, but instead of buying another one right away she moved into an apartment. Now she has been told the rent will go from \$125 to \$140 at the end of this month, and house prices have meantime climbed to the point where she can't afford to buy.

Metro may be becoming a city of apartment-dwellers, but the old desire for a home is still there.

The largest number of calls and letters on any one subject came from people wanting to know where they could see the \$10,000 Alcan home described in one article.

The article made the point that it is uneconomic to build the house in or near Metro because land costs are too high, but hundreds of people, many of them pathetic in their eagerness for a place of their own, wanted to know more about the low-cost homes.

The facts are that the homes are not on display to the public at present, that Alcan will be going into production with the homes in the fall, and that requests for further information should be directed to The Aluminum Co. of Canada, 200 University Ave.

But the Alcan homes are only a side issue: the real message of the calls and letters is that thousands of people want to own low-cost homes if someone, perhaps the government, can provide them.

Many people also wrote and phoned to say that the Metcalfe family, whose town house rent went up \$35 a month, have no cause to complain because together they earn \$12,000 a year.

The point, of course, is that the current housing crisis is hitting even the so-called affluent in Metro.

For example, out of the Metcalfe's joint annual income of \$12,000, they pay \$220-a-month rent, operate two cars and pay for baby sitters so Wilma Metcalfe can work. On Gordon Metcalfe's wage of about \$6,000 a year they would likely not be able to afford the rent, let alone save.

The immediate consequence of the \$35 increase is that Wilma will have to work for two extra years before they make any headway towards getting a down payment for a house. Housing expert Dr. Albert Rose points out that the consequences of rocketing rents will be more working mothers, fathers working day

Housing boss pledges 'thousands of homes'

and night, and a change in family patterns, and the Metcalfes and their work-routine demonstrated this.

In a typical letter, Mrs. David Hoag wrote that the Metcalfe article had her "steamed up."

"While I feel sorry for anyone who receives a \$35-a-month increase in rent, I must protest about your story.

"Anyone who makes \$12,000 a year can't be all that badly off, although I realize in this case that both are working and he works long and tiring hours."

Mrs. Hoag suggested the Metcalfes could save money by getting an apartment with individual heat control (the Metcalfes have a child with asthma), buy a humidifier, and use public transportation instead of running two cars.

Another reader, S. J. Allen, advises the Metcalfes: "Be satisfied. If you want to own a home be satisfied with a rea-

sonable standard of living, buckle down a bit." In his case, he says, he bought a house in 1958 while earning only \$3,800 a year.

But even home ownership isn't a bed of roses.

Dozens of people called in to complain of high municipal taxes which are making it harder for them to hold on to their homes.

After reading of the plans to put public housing close to a junkyard in the St. Helen's area, a Davenport homeowner complained the city is putting her taxes up all the time although she lives in a similar junkyard district.

John E. White complained he could not get a \$4,000 home improvement loan to put his 50-year-old Dupont St. house in shape, and home owner Eric Schneider protested against mortgage regulations which force him to pay his taxes through the mortgage company instead of direct to the municipality as he would prefer.

Several people wrote to say they have houses for sale and one man, reading of the land pressures in Metro, even offered his 150-acre farm near Oshawa to anyone who wants to build a subdivision.

Mrs. Betty Ross of Weston wrote to say that Whitchurch township is not enforcing a development plan it has for Musselman's Lake and is allowing rural slums to develop there similar to the one at Lake Wilcox which was described in the series.

But one man's meat . . .

A man living in the Regent Park North public housing development wrote: "Your newspaper had a story crying

The dream home she can never live in...

about people at Wilcox Lake. I would trade this smelly pot of Hell so we could breathe fresh air."

Some apartment tenants were angry at the suggestion in one article that apartment living creates family problems.

A woman living in a Don Mills apartment phoned to say her husband has more time to spend with his children because he doesn't have to maintain a home.

One man who lives in an apartment called to say the article was "me all down the line. I sit and drink more beer than I ever have in my life. There's nothing else to do."

Most of the gripes came from apartment tenants.

A man in a Bathurst St. building complained that his rent as of March 31 will go from \$103 to \$125 but he has to tell the landlord by Feb. 15 whether he will stay.

He can't afford the new rent, but if he goes out looking now he can't get anyone to keep an apartment vacant for him until April 1. And if he gives notice by Feb. 15 he can't be sure he'll get another place he can afford by April 1. "What should I do?" he asked.

A family with a 15-year-old cat which lives on Cosborne Ave. said they were allowed to have the cat when they moved in, but now the landlord has ordered them out, citing a "no animals" clause in the lease. The landlord is also holding all but \$22 of their \$140 deposit to pay for redecorating and finding another tenant.

The family, which has three children, has now found an apartment across the street, but they will have to pay \$5 extra rent for the cat.

Two families in an apartment building on Brimorton Dr., in Scarborough complained about the owners trying to con-



—Star photo by Dick Holborn

TO MRS. ARLITA LABERGE Metro's housing crisis means that she has to live with her family in a summer cottage in Clarkson. There is no inside toilet and water has to be brought from this pump, a considerable distance away.

trol every aspect of the tenants' lives. They protested that children cannot use the elevators unaccompanied, and even the apartment drapes have to be drawn back by a certain hour of the morning.

Two families at the Warden Woods public housing development complained their apartments are too cold. As evidence they cited the fact that both families have a baby in hospital suffering from respiratory illnesses.

"The superintendent told us we could move out if we don't like it," said one husband.

One article described how three-bedroom government-subsidized apartments meant for families are being rented to elderly couples because they make less trouble as tenants than young families.

The building manager declared he wouldn't change his policy, and one pathetic reaction was a series of calls from desperate elderly people eager to get the big, low-rental apartments—even if families with children had to suffer as a result.

Many people came forward with suggestions to alleviate the housing bind.

T. C. Wendel of Brampton said real estate commissions of five or six per cent add too much to the cost of housing. If a moderate priced house is sold twice in

Condominium? It's apartment living—without the landlord

the same year it can add about \$2,000 to its price to cover commissions, he wrote.

"In my opinion a commission of two or three per cent should be sufficient for services rendered by realtors."

A woman with a similar suggestion said she and her husband had been stung twice by realtors—when they had to sell their home two years ago after her hus-

band was transferred to Calgary, and again when they returned to Toronto and bought recently.

The commission on the \$32,000 house they have just bought in Etobicoke was \$1,600.

Scarboro Controller Karl Mallette blamed the Canada Pension plan for some present difficulties, because it has drained funds off the capital market, making it harder for builders to borrow.

Developers called to criticize municipalities for being slow in releasing serviced land for building. And home owners called to complain about apartment developers infringing on residential neighborhoods.

An anonymous "suburban home owner" suggested the housing shortage could be eased if governments permitted basement apartments and allowed their owners tax concessions.

Other people called to complain that taxes are artificially high because owners of many illegal basement apartments are not being made to bear their proper tax burden.

George Harry wrote to suggest a thorough check of the incomes of people in public housing, particularly those in Regent Park. He charged some of these families are earning \$200 a week and more, and should be moved out so needier families can be housed.

H. Zandbergen of Annette St. wrote suggesting an emergency session of Parliament to pass a law prohibiting evictions and to freeze rents for two years.

Demolitions of occupied houses should be stopped, immigrants should be prevented from settling in cities where housing is short, and the government should make available low-interest NHA second mortgages, he suggested.

And there were dozens of calls from people who didn't have a beef or a suggestion, people like home owner Doug Livingstone of Criscoe St.

"We just phoned to say thank you. We've followed every article, and they were a real eye-opener for us," he said.

IN B.C. YOU CAN GET \$500 GRANT TO BUILD A HOME

Special to The Star

VANCOUVER

Need help to buy that first home of your dreams?

The British Columbia government plans to give it—1½%.

Premier W. A. C. Bennett has introduced a bill to provide grants of \$500 to persons buying homes for the first time. The plan is hedged with qualifications.

To qualify, a person has to have been a B.C. resident for at least one year and intends to occupy the home for at least five years. The house or apartment being bought must be worth at least \$4,000—excluding land cost.

If he sells before the five years are up,

he will have to repay the full amount of the grant to the government.

And there are penalties to prevent fraud. For a first offence, a person receiving the grant falsely may be fined at least \$500. Second offenders would face a minimum penalty of \$1,000 plus full repayment of the grant.

Won't give home buyers cash

To prevent misuse of the grants, the \$500 won't go to the home-buyer in cash, but instead will be tied to the purchase contract. Bennett is expected to give details on second reading before the session is over.

The \$500 figure of the grant is a start-

With each year, the individual grant will increase by \$25, to \$625 at the beginning of the 1972 fiscal year.

The bill provides for a \$25 million fund to underwrite the plan.

Both sides of the legislature argue that B.C. needs at least 17,000 more public housing units—but only 1,000 are now being built or considered.

The 17,000-figure was given by Attorney-General Robert Bonner in a speech in the legislature in which he blamed the federal government for the shortage of mortgage money.

The bill appears bound for legislative approval, but critics of Bennett's legislation say it won't solve the province's housing shortage.

Dr. Pat McGeer, Liberal MLA for Vancouver-Point Grey, calls the legislation "politically sexy," but weak because it doesn't relieve the B.C. housing shortage.

He claimed setting up of the \$25 million fund will enable Bennett to channel revenue into development of the Peace river power project where he needs money.

No answer to shortage

"The major effect of the bill is political," Dr. McGeer said.

"It's a way of sucking people in so they won't see the money going in the other direction."

A leading spokesman for real estate interests, who asked that his name not be used, said the \$500 grant doesn't really do anything.

"I don't see any great advantage in it," he said. "It's certainly no answer to the housing shortage."

"It will encourage a few to buy houses, but I can't see it making much difference in the province," he said.

NDP member Tom Berger said the grant will not help people find accommodation because high mortgage rates are the real barrier to home purchasing.

He proposed establishment of a provincial housing authority to provide low interest loans for home-builders.

This would be the most effective way to relieve the current housing shortage in B.C., Berger said.

Wants housing authority

"If the provincial government really wants to do something about tight money, it should establish a provincial housing authority and provide it with the capital to enable it to make loans at low rates of interest to people in B.C. who want to build homes and buy homes," he said.

He charged the provincial government has not met its responsibility to take the initiative in public housing construction in the province.

Toronto Daily Star

Established 1892—Joseph E. Atkinson, Publisher, 1899-1948
Published at 80 King St. W., Toronto 1, by Toronto Star Limited
JOSEPH S. ATKINSON, Chairman of the Board
BELAND H. HONDERICH, President and Publisher
BURNETT M. THALL, Vice-President
HARRY A. HINDMARSH, Secretary
Directors: WILLIAM J. CAMPBELL RUTH ATKINSON HINDMARSH
The Daily Star net paid circulation for the month of June, 1967 was 372,047
Member of the Audit Bureau of Circulations

THURSDAY, JULY 20, 1967

The public housing queues are getting longer

Ottawa has watered Metro Toronto's parched housing ground with \$46,000,000 in loans, enough to build 2,400 units of public and student housing.

That's an impressive crop of apartments, row houses and detached dwellings—until it is matched against demand in this long neglected market.

The bitter fact is that low-income families are queuing up for public housing in numbers that far outpace the federal and provincial building programs.

Metro Toronto's housing registry in its last statistics reported 11,000 applicants on the waiting list for public housing, some 4,000 more than at the beginning of the year. There's no reason to believe this queue won't lengthen with Metro's continued expansion.

Yet on the basis of Ontario Housing Corporation figures only 5,900 new units (now under construction or in the planning stages) will be available

by 1969 to accommodate this relentless demand.

OHC officials say the chief stumbling blocks to an accelerated program are the construction industry's inability to cope with it and a shortage of satisfactory sites in the Metro area.

If it comes down to a question on whether housing or office buildings should have first call on construction labor, there should be no doubt as to what the government's decision should be—a moratorium on commercial construction until housing is brought into balance.

The OHC has rightly rejected the use of high-cost downtown land for public housing in favor of suburban sites. While serviced lots are at a premium on Metro's fringes, the first of some 4,200 lots for Ontario's HOME (Home Ownership Made Easy) housing program are going up for sale or lease on Aug. 1.

While the HOME program was de-

signed to supply low cost land so that moderate income families could build their own homes, the lots need not exclusively be used for this purpose. As much serviced land and is required to substantially reduce the low-rental housing deficit should be set aside by the government for OHC development.

Having announced—and well started—a "crash" attack on the housing emergency, the housing corporation must continue its momentum. With assistance from Queen's Park and Ottawa, the land and the laborers can be found.

The quiet man

Canadians of all parties can welcome the announcement by Premier Robert Stanfield of Nova Scotia that he will be a candidate for the Progressive Conservative leadership.

Mr. Stanfield is unquestionably one of the ablest of the present generation of provincial premiers.

In the 10 years he has governed Nova Scotia, he has concentrated on raising the economic level of what has long been one of Canada's poorer provinces. He has been remarkably successful in attracting new manufacturing enterprises to replace the declining coal industry.

In social policy, his administration has been more conservative, but in Nova Scotia's special position, he may have been justified in giving first priority to economic development.

Of his political magnetism, there can be no question. When he assumed the leadership of the provincial Conservatives in 1947, the party did not hold a single seat in the legislature. In the general election last May—the fourth his government has won in a row—he carried 40 out of 46 seats.

Apart from his proved ability and his record as a vote-getter, he has the immense advantage of never having been involved in the feuds that have rent the federal Conservative organization. He is the kind of leader around whom a divided party can rally for a new start.

With Mr. Stanfield's entry the list of serious candidates is probably complete.

This, it seems to us, places an immediate responsibility on John Diefenbaker.

He should make clear, without further delay, whether he intends to retire, or whether he will fight to retain his leadership.

Until they have that information, Conservatives cannot give proper consideration to the qualifications of all the candidates before the national convention in September.

Mr. Marchand turns his back

The provincial ministers who visited Ottawa to plead for the thousands of young people stranded by the sudden change in the adult retraining program last spring got a dusty answer from Labor Minister Jean Marchand.

Mr. Marchand was not prepared to revise the regulations to help these unfortunates, at least in the immediate future. "We will sort it all out in time," he remarked complacently.

The labor minister does not seem to realize that, in this matter, time is of critical importance.

In its original form, the Adult Retraining Act provided federal grants to the provinces to cover all young people who wished to take training courses to qualify them for employment.

Last April, however, the rules were changed: assistance is now given (with a few special exceptions) only to those who have been in the work force for three years or out of school and out of work for a year.

This automatically excludes recently arrived immigrants and students who have just left school.

Yet these are precisely the groups who most need this kind of training. In the case of young people leaving school, in particular the delay of a year—condemning them, in many cases to 12 months of idleness or precarious casual jobs, may be fatal to

successful adjustment to the working world.

Newly arrived immigrants are left to flounder for three years trying to obtain the necessary skills so they may successfully integrate into Canadian life.

In defending the change, Mr. Marchand suggested that if training courses were made available to boys and girls immediately on leaving school, it would increase the rate of high-school drop-outs.

This argument is pure speculation, and probably has no foundation. Most youngsters who leave high school before finishing the course do so because they are doing badly, are bored with their studies or are having trouble at home.

At that age, they are not likely to be influenced by fine calculations as to what kinds of federal or provincial assistance will be available to them in finding work.

But the availability of job training courses may make all the difference in determining whether their mistake in leaving school too early will blight their whole future.

Mr. Marchand's approach is what might be expected from some indifferent and callous bureaucrat.

It is most disappointing in a veteran labor leader who was hailed, when he entered the cabinet, as a progressive thinker and a champion of the workers.

METRO WEATHER

Cloudy with snowflurries.
High 38, low 25. Details
Page 2.

Toronto Daily Star

ESTABLISHED 1892

September paid circulation 359,958 copies per day

Monday, November 6, 1967—35 Pages

10c per copy, 60c per week home delivery

three star
★★★
edition

HOUSING -- 1

Mayor ‘indifferent’ to shortage of homes housing chief says

Toronto Board of Control is so wrapped up in “political intrigue that it is “indifferent” to the city’s housing problems, the director of the Toronto Housing Authority charged yesterday.

Robert Bradley, who ex-
empted Controller Margaret
Campbell from his accusa-
tion, told a housing meeting
that the board had repeat-
edly turned down authori-
ty proposals to help low-in-
come families, and particu-
larly criticized Mayor Wil-
liam Dennison.
“He’s not one bit interest-
ed,” Bradley said of the
mayor. “He comes to the
meetings of our Authority
and the questions he asks
are elementary.”
And he said that the ma-
jority of the five-member
board was interested only in
“abdication” all responsi-
bility for housing.
The meeting, called by
the Council of Catholic Men,
established a committee to
organize a drive against the
housing shortage. Leaders
of nine Roman Catholic lay
organizations, with 80,000
members, attended the
meeting.

CAMPAIGN

In Ottawa, Mayor Denni-
son said Bradley’s state-
ments “are hardly that of a
civil servant” and said
Bradley was conducting a
campaign against letting
Ontario Housing Corpora-
tion take over the responsi-
bility for housing in Toron-
to.
Board of Control soon will
meet with Economics Min-
ister Stanley Randall—the
provincial cabinet minister
in charge of public housing
—to see what terms the
province might set for tak-
ing over Toronto’s public
housing operations.
Dennison said: “OHC is
the only body that has the
money, has the land and
can provide the housing and
he (Bradley) knows that as
well as anybody but he
wants to keep Toronto in
the picture with its inade-
quate housing, its lack of
land, when he knows per-
fectly well this is going to
prolong the housing short-
age.”

SUBSIDIES

The mayor said not only
can OHC build more hous-
ing but it could give lower
rents to people living in Re-
gent Park and other exist-
ing projects because with
Ottawa’s co-operation it can
afford more subsidies than
Toronto can.
Controller Fred Beavis
came to the mayor’s de-
See MAYOR, Page 2

HOUSING -- 2

Nationalize land to cut cost, labor says

By DAVID THOMPSON
Star staff writer

NIAGARA FALLS—Land
must be nationalized to
curb the speculation forcing
up housing costs, David B.
Archer, president of the On-
tario Federation of Labor
told a federation-sponsored
housing conference yester-
day.
He said the government
must ensure that home own-
ership is not made impossi-
ble by speculators who
“buy land for a few thou-
sand dollars an acre and
sell it for a few hundred
thousand dollars an acre.”
Archer, who is also chair-
man of the Housing Authori-
ty of Toronto, warned city
dwellers they may have to
forgo home ownership and
be content with renting
apartments.
“Your own home is not
necessarily a symbol of
success,” he said. “Renting
a home or an apartment
can be equally desirable.”
Unions should “condition”
their members to accept
state-owned, subsidized
rental projects as “a per-
fectly proper address.”
Archer condemned the
federal government for its
“friendly banker” housing
loans at interest rates of 6½
to 8¼ per cent. Government
loans are available in the
United States for as little as
3 per cent, he said.
He also charged the On-
tario government’s Home
Ownership Made Easy
(HOME) program does
nothing for the 80 per cent
of the population with in-
comes of less than \$8,000 a
year.

In Scotland, Archer said,
half of all housing is public-
ly owned. In the “staunchly
capitalistic” U.S., the pro-
portion is 8 per cent, while
in Canada it is only 2 per
cent.
Keynote speaker of the
conference was Harold Os-
troff, vice-president of a un-
ion-backed housing founda-
tion in the U.S. which he
said has housed 15,000 fami-
lies “at a saving of between
20 and 50 per cent of what
they would pay for compar-
able accommodation.”
He advocated union-spon-
sored co-operative housing
as a major step toward a
See NATIONALIZE, page 2

Toronto Daily Star

Established 1892—Joseph E. Atkinson, Publisher, 1899-1948
Published at 80 King St. W., Toronto 1, by Toronto Star Limited
JOSEPH S. ATKINSON, Chairman of the Board
BELAND H. HONDERICH, President and Publisher
BURNETT M. THALL, Vice-President
HARRY A. HINDMARSH, Secretary
Directors: WILLIAM J. CAMPBELL RUTH ATKINSON HINDMARSH
The Daily Star net paid circulation for the month of October, 1967 was 376,103.
Member of the Audit Bureau of Circulations

TUESDAY, NOVEMBER 28, 1967

The housing crisis:

We need 50,000 public housing units

The saddest victims of the housing crisis in Metro Toronto are the low-income families who have lost all hope of home ownership.

But they need decent shelter. For them the answer lies in subsidized public housing on a much

more massive scale than in the past.

In the fourth of its editorial series on the housing crisis, The Star today sets out the precise steps that should be taken to provide housing for families earning less than \$6,000.

Public housing is a troublesome, expensive business that Canadian politicians at all levels have habitually evaded or half-heartedly tackled.

In Metropolitan Toronto the issue must now be faced, or else a large and rising proportion of our people will be condemned to poor housing at high rents.

It is a symptom of past indifference that no factual survey of public housing needs has yet been made here, although one sponsored by the Metro planning board and the Ontario Housing Corporation is now proceeding.

Meanwhile, we must rely on rule-of-thumb projections or on such uncertain indicators as the length of the waiting list for public housing, which, at 11,200 applicants, is more than four times as long as it was at the end of 1964.

What Toronto's housing-costs crisis can mean to low-income people was shown in a report by the Family Service Association on 24 families with two children or more and weekly take-home pay of \$80 to \$100.

Eighteen spend more than one-third of their income on rent, and are forced to cut down on clothing and food. "Many children simply do not go to school when their shoes or clothing will not keep out the cold or the rain."

With private rents rising much faster than incomes, the prospects of such families can only worsen unless they find places in public housing. Rents for two-bedroom suites in older apartments are now at least \$125, rising to \$175 or \$185 for four bedrooms.

For families under \$6,000 income that do not own their homes, home ownership is now out of the question. Since more than half the families in Toronto earn less than \$6,000, the potential need for subsidized housing, or other forms of publicly assisted housing, is awesome.

At present only about 11,000 units, or two per cent of Metro's total housing stock, are public (counting old people's housing).

An expert study group headed by Metro Chairman William Allen reported that "at the very least, government housing programs should be expanded to provide directly for the housing needs of the lowest 10 to 15 per cent of the

population, rather than the rock-bottom two to three per cent as at present."

That would mean 50,000 to 75,000 public housing units for the present population, plus about 3,000 units annually in future. How do we get it?

First, it would seem only logical to reinforce success, and the only real success in family public housing during the last 12 years in Metro has been achieved by the Ontario Housing Corporation. It accounted for nearly all of the 4,000 units added since 1964, and has another 5,000 on which construction is under way or about to begin.

It would simplify the excessively complex administration of public housing if the OHC were given the sole responsibility for providing it in Metro.

This would mean elimination of the City of Toronto Housing Authority that is so desperate for building land it has proposed public housing projects next to abattoirs, railway yards and junkyards.

In addition to clearing the way for the OHC to build and buy public housing, Metro needs a strong program to save the majority of older homes that are still structurally sound.

Easier local zoning and special terms for home improvement loans, in urban renewal areas, would enable many low-income people to have decent housing. These would mean big tax savings compared to the cost of demolishing old homes and relocating the occupants in public housing.

The payment of rent supplements to hold the housing costs of poor tenants to no more than a quarter of their income, and to keep families from being driven from bad to worse housing by rising rents, is also justified in the present Toronto situation.

From Metro's standpoint, there are no insuperable financial barriers to a big public housing program. The two senior governments pay all the capital costs as well as 92½ per cent of the rent subsidy (which now averages \$45 per month for each family unit).

The main thing lacking is the political will to give low-income people a chance to live decently in adequate housing.

ISSUE

The Star series that poses the human problems behind the election issues

1968 Between the Canadian Labor Congress unions. He has already tried.

When will George Robbins be able to afford a home?

★ Too few houses available at prices the average couple can afford—and too much government use of housing as an economic regulator instead of a social priority. And the voters ask: What will the parties do about THAT?

By MICHAEL BEST
Star staff writer

Ask George Robbins and his wife, Leslie, what should be the main issue in this election, and they'll say housing.

They live with their two children in a two-bedroom apartment near Midland and Lawrence Aves. in Scarborough.

When they moved in three years ago, they hoped their stay would be short—just long enough to save a down payment on a house of their own.

It was in 1965, the year of the last election, when promises of the good life were flowing free. The average new house in Metro sold for \$21,194. And on Robbins' auto mechanic's pay, it was a modest goal.

But the dream faded as prices soared. The average home is now beyond \$30,000—out of reach of 8 out of 10 Metro families, including the Robbins.

It's apparent to them that Canada hasn't been building houses fast enough at sufficiently low prices to provide a decent roof over the heads of the average young couple.

Ottawa has been using housing as a convenience of economic policy rather than as a social imperative. Through the government-run Central Mortgage and Housing Corporation, which guarantees loans for house-building, Ottawa has used housing as something to put money into—to spur the economy and make jobs in slack periods, or to slow the economy down when it overheats.

And so the Robbins are still waiting.

Any home

They aren't holding out for a new place in the suburbs. They'd settle for any decent home.

"We still haven't given up hope," says Mrs. Robbins. "We still talk it over once in a while. It would be so good for the children to have more freedom. But I'm afraid it will be quite a while."

They consider themselves lucky to be paying only \$99 a month for their apartment, because it's in a limited dividend project where the owner's profits are restricted.

Robbins, 32, earns less than \$5,000 a year. His wife would like to work to raise their income. But her husband's hours—noon to 10 p.m.—make that tough to manage and still give the children proper care.

And the Robbins look at the election policy statements for some indication that "somebody is going to do something" about building more houses.

"I only hope that something will come out of it to let people like us own a house and meet the payments," George Robbins told The Star.

The housing issue is thousands of families like the Robbins whose hopes have been dashed. It's apartment rentals rising by \$10 to \$12 a year.

It's 8,048 families on the waiting-list for public housing—there are just over 10,000 units in Metro, compared with the minimum of 20,000 the experts say we should have.

It's house building lots selling for \$12,000—roughly double what they went for three years ago, when the Robbins moved into their "temporary" apartment.

It's a maximum National Housing Act borrowing rate of 9½ per cent, compared with 6½ per cent then.

Families skimping

It's families skimping on food and clothing to meet mortgage or rental payments. It's crushing debts. It's broken families, broken health and children leaving school too early because of housing conditions that don't permit proper study.

Not only low income people like the Robbins are concerned about

the issue. Across the city, 23-year-old Roy MacLellan and his wife, who together earn about \$13,000—he's a computer supervisor and she's a key punch operator—also live in an apartment, off Keele St.

Like the Robbins, they want a house of their own—especially for the children they hope for. The difference is that the MacLellans could handle the financing right now. But, as he says, "there's no push." They've got time to look round and save.

But they're frightened by what they see—the prices and interest rates—and they look to the election campaign to produce a solution.

MacLellan says he isn't taking a partisan stand. "None of the parties are doing what they should for housing," he says. But he believes the rising pressure of public opinion will force effective measures.

Because of Ottawa's use of housing as a convenience of economic policy, the national figure for construction starts in the past five years have fluctuated erratically:

| | |
|------|---------|
| 1963 | 148,624 |
| 1964 | 165,658 |
| 1965 | 166,565 |
| 1966 | 134,474 |
| 1967 | 164,123 |

CMHC's estimate is that during the five years 1967 to 1971 Canada will have to build on the average 195,600 units annually. We missed the target last year—leaving a deficit to be picked up later.

But in the first four months of this year there were 34,902 starts, compared with 22,745 in the same period of 1967.

Seasonally adjusted, it means that so far—and the January-April report may be the last before the election—we're building at a rate of better than 200,000 a year, which is ahead of the government's declared objective of 175,000 units.

Transport Minister Paul Hellyer, assigned by Prime Minister Pierre Elliott Trudeau to take command of the government's housing affairs, told The Star in an interview he would "move heaven and earth" to ensure that the early momentum is kept up.

If he pulls it off, he'll surprise some of Metro's biggest builders. Lawrence Shankman, president of Consolidated Building Corporation, says he planned to build 400 houses this year, but is running behind in his starts because of tight borrowing conditions.

"It's a terrible thing that in our society, there's financing for TV sets and cars and the rest, but not for an essential like housing," says Shankman.

If the government were "seriously concerned about the basic necessity of shelter," he added, it would approach the banks, insurance and trust companies for "voluntary co-operation" in providing more mortgage money. If they didn't respond, it would hit them with tax measures to force more of their money into this kind of investment.

Fatherly chat

Asked what he would do if the 1968 program faltered, Hellyer told The Star he might have a "fatherly chat" with the big private lenders—but he made no threat of coercion.

"It would appear we'll reach the target this year," says Edward Mayotte, president of the National House Builders Association.

But he went to Hellyer and to CMHC President H. W. Hignett last week to warn of a "drying up" of mortgage money from the big lenders for single family dwellings.

Last year, CMHC put \$545 million of its own money into private housing loans, and \$225 million into the "social" sector, including homes for senior citizens and students, limited dividend and low rental public housing and urban renewal.

This year, the ratio is reversed; CMHC, meaning the government, has tabbed \$550 million for social housing and only \$200 million for direct lending.

The idea behind the switch was that the current high interest rates on NHA mortgages would bring adequate funds for all private housing, including individual dwellings, from the approved lenders, including insurance and trust companies and the banks.

But, says Mayotte, these lenders are not showing the hoped-for inter-

est in making loans for single family dwellings.

However, he said he came away from his talks with Hellyer and Hignett convinced they were prepared to take steps to ensure a flow of mortgage funds to guarantee that single family dwellings would make up an "acceptable mix" of about 40 per cent of all housing units completed—against 30 per cent in the first four months of this year.

There are now about 25,000 apartment units under construction in Metro, according to Donald Kirkup, research director of the Toronto Real Estate Board. It's an unprecedented boom. But many of the apartments were financed before interest rates hit their present peak.

"Sure, we can borrow money," says the president of a top Metro apartment development firm. "The question is, can we afford to take it at current interest rates, when we know we're going to be tied to them in long-term mortgages?"

He's got further construction sites ready to go, but he's holding back because of the interest rates.

But even if Canada builds 200,000 units of housing this year, this won't help George Robbins much. He'd have to get his income up to at least \$8,000 a year and find a hefty down payment before he'd qualify under NHA rules to buy even the cheapest of three-bedroom bungalows.

Houses not only have to be built; they also must be built at prices the average family can afford.

The prospects of this happening in Metro—with present land costs, interest rates and high housing standards imposed by municipalities eager for new assessment—are slim.

Liberals restrained

So what are the political campaigners proposing to do about it?

The Liberals, under the gun because this housing crisis developed while they were in office, have been restrained.

Their definitive statement, says Hellyer, was made by Trudeau before an Edmonton audience last week:

"Within the limits of our constitutional authority, we seek to insure—we must insure if we believe in a just society—that all Canadians have access to reasonable accommodation, owned or rented, at prices they can afford."

He was confident of about 175,000 units this year. And he appeared to go for Hellyer's idea of satellite cities to take the housing pressure off Metropolitan centres such as Toronto.

As for high mortgage interest rates, the government was concerned, he said, but they were the result of international forces and the government was doing its best to correct them by restraining spending.

Conservative Leader Robert Stanfield has talked more about housing than Trudeau. He has promised that, if elected, he'd set up a government department of housing and urban affairs—under a full-time minister.

He has promised also to remove the 11 per cent sales tax on building materials. He'd increase from 6½ to 8 per cent the permissible returns for builders who put up limited dividend housing projects, such as the one that's giving the Robbins their big rent break.

The rest of his proposals are vague—an invitation to the provinces and construction industry to join Ottawa in a series of "planning task forces" to draw up an effective housing policy; a plan to "discover some method" of relieving homeowners of current high interest rates; and safeguards against "unbridled speculation in land".

'Freeloaders'

Early in the campaign, NDP Leader T. C. Douglas said that if Canada's tax "freeloaders"—he included the insurance companies, banks, mining companies and stock speculators—were made to pay their fair share of taxes, the money could finance another 250,000 homes annually.

He had another run at housing in Halifax last week—promising an NDP government would establish a



ROY MACLELLAN AND HIS WIFE—photographed in front of their apartment building—earn \$13,000 a year between them. But house prices and sky-high mortgage interest rates still "frighten" them.

federal housing agency to give mortgage loans at 5 or 6 per cent.

(Hellyer describes the cost of this proposal as "prohibitive." Subsidizing current interest rates down to 5 per cent on the present housing output would cost the government \$80 million the first year, he says, and \$1 billion annually in 10 years' time.)

Adding up the policies and promises so far gives hope but no positive assurance to house-hungry low and medium-income families that the election will solve their housing problems.

But the problem is not insurmountable.

The people in the construction business say the immediate need is a commitment from Ottawa that the momentum of the first four months of this year will be sustained. This means, they say, that the government must be prepared to increase its direct mortgage lending through CMHC, if the insurance companies, banks and other private lenders don't provide needed funds.

This crisis won't be beaten until the government makes housing a social imperative—no more subject to being cut down in tight money times than hospital insurance or old-age pensions.

If this had been the policy three years ago, Ottawa would have taken account of immigration, family formations and farm-to-city migration—and made sure that housing was produced in sufficient quantity to meet the need.

One way to attract more private funds into housing would be to increase the attractiveness of NHA mortgages as investments by making interest income from them tax

free—a system used in the U.S. and West Germany.

And the insistence of municipalities on subdivisions of costly homes with all the frills could be broken if the province took a bigger share of education and other residential development costs, so municipalities wouldn't have to grasp for high assessment homes to pay for them.

But the builders argue that the main attack on home prices must be directed at the high cost of lots. Construction cost of the house component alone in Metro is one of the lowest in Canada. But while this cost has risen only 16 per cent in three years, lot prices have jumped 44 per cent.

Prices are high because the supply is short; the need is to increase the supply.

Cruel irony

For the Robbins and Metro's other house-hungry families, there's cruel irony—and a monument to government failure—in the abundance of open farmland in townships around Metro.

It hasn't been opened for housing because it isn't serviced. There's no water supply, sewage disposal, roads, commuter lines.

The participation of the higher governments is required to meet the immense cost of the servicing and of buying up large areas to prevent price speculation.

The message for the politicians in the last week of campaigning is that George and Leslie Robbins still have an open mind on which party would do the best job with housing.

"We're watching—and listening," he says.

June 25, 1968

Federal Election

Pierre Trudeau, Liberal, 45% of the vote

Robert Stanfield, Progressive Conservative, 31%

Tommy Douglas, NDP, 17%